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THIRD SESSION—ELEVENTH PARLIAMENT.

SPEECH

BY

MR. LLOYD HARRIS, M.P.

ON

RECIPROCAL TRADE WITH THE UNITED STATES

OTTAWA, WEDNESDAY, MARCH 8, 1911.

Mr. LLOYD HARRIS (Brantford). Mr. Chairman, I think that the question before the House and the country is perhaps the most important question that we have had to consider in Canada since confederation. I have one of the hardest tasks of my life allotted to me to-night, for the simple reason that I find I am not able to support the government on this important proposal. I have reached this conclusion with very considerable regret. It is not easy, I think every one will admit, to cast off party ties on an important issue of any kind, and I deeply regret the fact that I have been forced to the conclusion that I cannot support the government in this proposal, because I do not think the proposal is in the best interests of Canada. Ever since the Minister of Finance (Mr. Fielding) made his announcement in this House, I have been endeavouring to get a sane and safe view from a Canadian standpoint as to the effect of this proposal on our present national life and on the future development of the national life of Canada. When the announcement was first made, I had a very strong impression that it was a departure from a policy which I had thought had

been the policy of the Liberal party, but I also thought that it was a departure which would lead us into ways and in directions which would not be for the future best welfare of Canada. At that time I was apparently alone on this side of the House because the announcement was greeted, I thought, with considerable enthusiasm on the part of members on this side, but since I find that the views I formed at that time are shared very largely by very many people throughout the country. I do not consider that all the brains of Canada are confined within the four walls of this room. I think there are men engaged in large undertakings who are just as good Canadians, who have just as good, and perhaps a great deal better opportunities of sizing up the real conditions in Canada and the real facts of an issue of this kind as we have in this House.

I have purposely refrained from making any public utterance on the question until I had an opportunity of listening to the right hon. the Prime Minister (Sir Wilfrid Laurier). I listened to him yesterday with a very great deal of interest and with a very great deal of pleasure. I think I

might say that I have always been an admirer of the right hon. the Prime Minister. I have been very glad indeed to serve under him, because I think that he has done as much for Canada as any man whom we have ever had here, and I listened yesterday with perhaps more admiration than I have ever had for him before for the simple reason that he made certainly a magnificent speech; he aroused the enthusiasm of our friends on this side of the House. He covered every aspect of the subject, excepting the one important one. I was glad to see the right hon. the Prime Minister very frank about this, because he frankly admitted that he was not a business man. I must confess that the only training I have ever had has been along business lines and perhaps I look at things from too practical a standpoint, there may not be enough sentiment in my makeup. However, I think what we need in this country is a good practical business consideration and discussion of a measure of this kind before we allow it to become law. I had intended saying a few words on the amendment, which was introduced by the hon. the leader of the opposition (Mr. Borden) before the recess; I thought an opportunity would have been given for the members to speak on that after dinner.

Apart entirely from the economic features of this case, I have four good and sufficient reasons, at least they are sufficient for me, for opposing this measure. First of all I do not think that this government has any mandate from the people. The main arguments that have been advanced in favour of this measure have been the fact that this is an historic policy, a policy of both parties in Canada for the last 50 or 60 years. The Minister of Finance (Mr. Fielding) in making his announcement reviewed the history of the different negotiations which have taken place between Canada and the United States with reference to reciprocity between the two countries. Other speakers have done the same thing. I am not going to weary the House by going into the details of these different negotiations, but all the speakers who have touched upon the subject, have brought down the history of these negotiations from 1854, the time of the first treaty, to 1896. Since 1896 I do not think that any case has been made out. For my own part, I can only say that unfortunately I was absent from Canada from 1889 to 1900 and have only been familiar with Canadian conditions and politics in the last 11 years, and I know positively that in that 11 years reciprocity has not been an issue with either party in this country. I have no mandate from the people of my own constituency to support this measure. If I go back to my own constitu-

ency and tell the people exactly what I think of the effect that is going to have on that particular constituency, and say that I have supported it, I do not think they will have any use for me in future.

Mr. CHISHOLM (Antigonish). Have you a mandate to oppose it?

Mr. HARRIS. That is an easy question to answer. A man always has a mandate to oppose anything he has not a mandate to vote for. I have been a little surprised that no authorities have been quoted on this subject. I have been looking up the question, and I find in a work entitled 'The Government of England,' by Lovell, who, I believe, is a recognized authority, under the head, 'The Doctrine of Mandate,' the following:

Another sign of the times is found in the doctrine, now sanctioned by the highest authority, that parliament cannot legislate on a new question of vital importance without a mandate from the nation. The theory that the individual representative is a mere delegate of his constituents, so that he is bound to resign and submit to re-election if he changes his views, has long been a subject of discussion; but the idea that parliament as a whole exercises a delegated authority in the sense that it is morally restrained from dealing with questions that have not been laid before the people at the preceding general election would formerly have been regarded as a dangerous political heresy. Yet during the recent agitation in regard to fiscal policy, Mr. Balfour, while repudiating the suggestion that the existing parliament, having been elected on the single issue of the South African war, ought to be dissolved when peace was made, refused to grant time for a debate on free food on the ground that it would be constitutionally improper for parliament to act on the question until it had been submitted to the people at a general election, and that it would be unwise for the House to discuss a subject on which it could not act.

I think we are wasting time in discussing this question, because we have not any mandate from the people of this country with regard to it.

My second reason for opposing it, is the method of doing it. If the government had a mandate, the method would have been quite correct, but the government having no mandate, the very fact that we in this House, who have been elected by our several constituencies to represent the people of this country, have never even been called into consultation, that we have never been asked to express our views on a measure which is perhaps the most radical departure in policy that we have ever had in this country, and the fact that two men went to Washington and made this arrangement and have come back to this parliament and are practically trying to force this measure through the House, is a method which I,

personally, cannot support. Let us consider for a minute the procedure in the case. It has not been brought out in the debate, I think, up to the present time, what really has happened. As I understand it, a year ago representations were made by President Taft through Mr. J. A. Macdonald of the Toronto 'Globe,' to this government, that he found himself in a difficult position, owing to the Payne-Aldrich tariff having in it a clause which required him to penalize Canadian importations into the United States. I do not know whether it is known or not, but I have heard, and I think it is quite correct, that this clause in the Payne-Aldrich Tariff was copied from the Canadian tariff. We had such a clause in our tariff for some time. We had it several years ago when Germany found it necessary to attack us in its tariff, and what was the answer that Germany got? We simply put the Act into effect, it was, and we said to Germany: 'If you want to penalize us, we will penalize you, which we did; and I think that action had the support of everybody in this country. And when the United States made representations that it was necessary to have legislation put through at Ottawa to save the president of that country, I think we should have given them the same answer that we gave to Germany. Now, what consideration has been given to this arrangement? I have been very much interested in these negotiations ever since they commenced; and as far as I can find out, the two ministers returned from Washington on a Wednesday, and at that time apparently the other members of the cabinet, or at least those that I spoke to, knew no more about the conditions of this compact than I knew myself. The council evidently met on Thursday for an hour—if I am wrong in this, I hope I shall be corrected; this proposal was evidently considered by the council for one hour, at three o'clock this House met, and at 3.30 the hon. Minister of Finance came in and laid the agreement before the House. I am only speaking for myself, but personally, I do not think that any man should be asked to support a measure which is forced through in that way, and which means so much to this country.

The third reason which I have for opposing it, is the one to which I attach the most importance. No doubt all of the hon. members of this House have had the same experience that I have had while these negotiations were in progress. I had letters and interviews, and when I went to western Ontario, I met a great many people who expressed their anxiety that something might happen which would effect them or their interests adversely. To one and all

of such requests for information, I said: You need have no fear whatever, because there will be no revision or alteration of the tariff of this country without a thorough investigation. I want to state my reasons for having given that answer, and if I make a longer quotation from 'Hansard' than I would like to do, I hope the House will bear with me. The right hon. the Prime Minister, on the second day of this session, speaking in the Debate on the Address in reply to the speech from the Throne, referring to his visit of last summer to the west, made this statement:

The people of the west are now asking for a reduction of duty on certain articles which they consume. That is a very proper subject of investigation, and we intend to investigate it. But at the proper time. My hon. friend (Mr. R. L. Borden) is very impatient. We who have been in office for a certain number of years know that if there is one thing more than another essential to the business prosperity of a country it is stability of character. And my hon. friend from North Toronto (Mr. Foster) who has special charge of these matters on his side of the House will not dispute this, although when in office he was delinquent on this point—he tinkered with the tariff year after year. But with the warning before us given by his course, we were particularly careful not to fall into his error. It has been our policy to have a revision of the tariff periodically, but not year after year. I stated to the people of the northwest during my recent trip that it would be our duty to consider their requests and to deal with them in the spirit in which we have always dealt with requests from the people. And I repeat that now. I stated, and my hon. friend (Mr. R. L. Borden) quoted my words, that we would have a commission of investigation before we undertook a revision of the tariff. I noticed that that evoked a cheer on the part of hon. members on the other side of the House. And may I be permitted to say without offending my hon. friend, and with every hope that he will pardon my pride in the matter, that the parts of his address that were most applauded were his quotations from my speeches. I trust that this flattery will not make me vain; I mention it only as a fact which is within the knowledge of all who heard the hon. member's speech. The statement made by myself and quoted by the hon. gentleman that we would have an investigation by commission before we altered the tariff called forth a special cheer from hon. members opposite. Does any hon. member on the other side take issue with the promise I made? Would any of them advocate rushing into a revision of the tariff without previous investigation?

That I consider a statesmanlike utterance. I was perfectly satisfied with it. I took it as a distinct and definite promise, and I made other promises on the strength of it.

The fourth reason that I have, is one which may not perhaps appeal to some members of the House, but I do not think

we should look upon this reason in too light a way. It is that it has hurt the pride of Canadians. Some of my hon. friends laugh.

I think a glance over the history of Canada since confederation will prove my point. For many years we felt that we were absolutely dependent on the United States, and we had these pilgrimages to Washington, for the purpose of negotiating free trade relations. But every time that we went wearing out our shoe leather, as one hon. gentleman has put it, what was the result? We simply met with one rebuff after another. Every time we knocked at their door, we were refused admittance; and the load we had to carry in Canada for a great many years seemed greater than we actually could bear.

Had we got, however, what we wanted at that time, the whole course of Canadian history would have been changed. We would not have had a country such as we now have. Our maritime provinces would have been connected by trade and commerce with the eastern states; Ontario would have been dealing entirely with the state of New York and the adjacent states and in the Northwest of Canada, I doubt if we would have built a railway around the north shore of Lake Superior. But not having been able to get what we wanted, we were forced to initiate a policy of our own, and that was to take off our coats and seek to bind this country together and create a nation. We have done this. We have done perhaps what no other country in the world has accomplished. You all know what it means for a man when he feels he has done something. It makes him a better in every respect. One of the good things that has come to us in recent years is the knowledge that we have a separate and distinct entity. The word 'Canadian' stands to-day for something. Years ago it did not stand for much. At present, however, it means that Canadians have done something that they have accomplished things, and that means a great deal to a people just as it does to an individual.

I claim that this measure—the method of doing it, and the measure itself—is one that will have far reaching consequences on Canada perhaps more than anything that has ever happened. I give these four reasons for opposing it, which perhaps will not be considered sufficient by my hon. friends on this side. But for these four reasons alone I have made up my mind that I cannot support the government in this measure. I propose now to deal with its economic features, and shall have to do that in my own way. Each one approaches all these questions from his own standpoint, but I think every one will agree that we should approach the discussion of a measure of such importance as this in a sane manner.

I cannot say that some of the arguments and remarks of the advocates of this measure are made in that spirit. I was reading in the Toronto 'Globe,' of March 4, an account of a meeting at Woodstock the other night at which the hon. Minister of Labour (Mr. King) was present. The article is as follows:

VOICE OF CANADIAN TRUST.

In this agitation against the agreement we find the beginnings of the subtle and skilful manoeuvrings of the Canadian trust. We are being warned to-day to beware in this arrangement that we do not deliver ourselves into the hands of the American trusts, but I sometimes think that we hear in this warning the voice of the Canadian trust speaking not so much for the Canadian people as for its own selfish interest. What is the first principle of a trust? It is monopoly of the market, complete control of the source of supply. What is one of the most effective weapons in combating that influence? It is the opening of new markets, the giving to those who have products to sell other and wider markets in which to make their sales.

I wonder if the so called Canadian trust was responsible for the unanimous resolution of the Berlin Board of Trade condemning the proposal.

Mr. KING. Will my hon. friend permit me to say that the Berlin Board of Trade did not pass the resolution attributed to it, according to a statement made subsequently by the secretary of that board.

Mr. HARRIS. I think I got the information in both cases from the Toronto 'Globe.' I did not read that, however, to in any way belittle my hon. friend the Minister of Labour. What I read it for was to contrast the utterances of one of our Canadian ministers with those of one of the American ministers, which were delivered a few days ago at a public meeting in Chicago. At a dinner given by the Chicago board of commerce on the 15th February, at which one of the speakers was Mr. James J. Hill and Mr. Knox, Secretary of State for the United States, the latter spoke to this large and important gathering of Chicago's best business men on the question of reciprocity as follows:

BUSINESS KNOWS IT WANTS RECIPROCITY.

This function could cease now and here without a moment of speech, and still go down in history as almost epochal, because when has it occurred that a matter of such grave economic significance as the one which is now not only being considered by the Congress, but by the people, has gathered together such an assemblage as this, men whose hands are upon the throbbles of great enterprises for the development of our country, and who are worth more to its ultimate and its present prosperity than a thousand times as many politicians going up and down the land demanding that something shall be done for fear something will happen.

The point I was making was this, that there is a great deal of opposition to this measure throughout the country, not confined to any particular class. The opposition to it is not restricted by any means to the business, manufacturing, financial and commercial interests, but it also extends to the farmers.

Some hon. MEMBERS. Hear, hear.

Mr. HARRIS. I have been interested in following several of these ballots which have been taken by different newspapers. In one Canadian Agricultural journal which I was reading to-night, I find that the number of votes throughout Canada apparently in favour of this measure was about 1,000 and against it 600, so that the opposition to it is not, as some hon. members would have us believe, coming from the one quarter. But even if it did come from one class, every Canadian has the right to make up his mind on any important question, and in so doing he should not be subjected to the imputations of unworthy motives. We have in Canada all classes of people. We are not purely and simply an agricultural country. Manufacturing is a necessity. At least I think that we require manufacturing industries, but if it be not the policy of the Liberal party to have manufacturing, I suppose I shall have to remove myself from Canada. But I submit that one man in one industry in Canada is just as good as a man in another industry. We are all Canadians working together for the general benefit.

I have listened with a great deal of interest to all the arguments which have been put forth in defence of this measure. I listened with great pleasure to my hon. friend from Red Deer (Mr. Clark), the other night—I always listen with pleasure to the hon. member because he always says something good, something of interest. But, in reading his speech next day, I found that it was one of his characteristic speeches. He quoted Peel, and Cobden and Gladstone. I am interested, as much as anybody possibly could be, in the free trade history of England. The men who inaugurated the policy of free trade in England were doing exactly what we at the present time in Canada are trying to do. They were trying to frame a policy which will make England a great country. Their policy, I believe, was the best that could possibly be pursued for that country at that time. But the fact that that policy was a good thing for England seventy or eighty years ago is no reason why we should accept it as the policy for Canada in 1911. We have to study the conditions of our own country.

I have given a great deal of thought to what I suppose is the real policy of the Liberal party. When the present govern-

ment came into power, the existing policy was one of protection to all industries. That policy, I think all will agree, has been retained. It has been changed to suit the conditions arising from time to time.—I do not believe in a hard and fast policy of any kind. Added to that fiscal policy, however, the government immediately inspired a new faith in the future of Canada. They undertook a vigorous programme of development of our natural resources. We advertised in a large and comprehensive way, and in the proper places, our potentialities. We undertook in a large way additions to our transportation facilities. We have followed a policy of encouraging agriculture, the growing of products for our available markets; and, what was more important, a policy of transportation facilities which would carry our surplus products to the best markets of the world in the best possible condition. The government granted the imperial preference. They made very large expenditures on agriculture, in order to give information to the farmers of this country of the best methods of growing and putting up their products so that they might command the highest price. This, I consider, has been the policy of the Liberal party, and that policy has been eminently successful. I can remember twenty-five or thirty years ago—though I am a young man yet—when the farmers came on our market in Brantford and sold chickens at 10 cents each; to-day they are getting in the neighbourhood of 75 cents. They would sell butter at 10 cents to 12 cents a pound, we are paying 30 cents to 40 cents per pound to-day on the Brantford market. Eggs were sold in those days from 8 cents to 10 cents a dozen; now we are well off if we get them at 50 cents to 60 cents at certain seasons of the year. What is the reason of this? The first reason is that we have built up a consuming population in Canada which is the best market our farmers have, and any surplus products can be shipped and delivered and sold in the best markets of the world where they will command the highest prices. We have done all this without any assistance from the United States. We were forced to do it on our own account. Now we have got the home market, and, what I have always felt as to the future policy of this country—and this is the crux, I think, of the economic situation in connection with this measure—is that our agriculture should be put in such shape that nothing should go out in its crude condition. I do not want to see the wheat of our Northwest go through United States channels. If it must go out of Canada in its raw state, I want to see it go through Canadian channels. But I want to see as

much of it milled in transit as possible. That is building up our own country. I do not want to see that second grade wheat they have in the west sold on the market at all—it is not going to give us a good name for our Canadian wheat. I want to see the meat industry established in such a way that such wheat should go out of the country in the shape of dressed meat, bacon, hams, and other similar products. In the province of Ontario, where we are at present growing \$200,000,000 worth of field crops,—first, I want to see that raised to \$1,000,000,000.—I do not want to see one dollar's worth of it go out of Ontario in its crude state, but in its most highly finished condition. And that, I think, is an ideal worthy of any Canadian, and a policy that any party should be glad to maintain.

A great deal has been said to prove that the effect of opening up our market in this country to ninety millions of people in the United States and to other nations which can send in their products here on the same terms as the Americans can, will have no effect on the farm produce of this country. First, I wish to take up the question of our own production and export. Many hon. members who have spoken on this subject, ridicule the home market. They want to know what the home market is worth anyway. Well, here are some figures which I think will be of interest to the members of the House. In the year 1908 the estimated value of the field crops of Canada was \$432,534,000. In the Trade and Navigation Returns for the year ending March 31, 1909, the total exports of field products from Canada for the year—which would be the crop to which I have just referred—were \$82,718,926, leaving a total of \$349,815,074, which was consumed in Canada. In other words, for every \$1 of field produce raised in Canada, 80 cents worth was consumed and only 20 cents worth exported. That is what all this noise is about—to get markets for that 20 cents worth. Now, included in the exports are the following which have gone through a process of manufacture—I wish to show how closely agriculture and manufacturing must come together in this or any other agricultural country:

Flour.. . . .	\$ 7,991,517
Indian meal.. . . .	4,818
Oatmeal.. . . .	535,963
All other meal.. . . .	58,104
Cereal foods.. . . .	1,380,507
Bran.. . . .	858,900
Canned berries.. . . .	204,246

Total.. . . . \$11,064,955

Those products all went through a certain form of manufacture. I use those figures for comparison. In the following year, 1910, the amount was much larger in every way so far as crops in Canada were con-

cerned. The total value of the crops was \$531,690,000. The exports were \$102,747,694; consumed in Canada, \$229,342,406, or exactly the same percentage as the year before, notwithstanding the fact that the value of the crops was \$100,000,000 more than the year before. Our home market increased in one year from \$349,000,000 to \$429,000,000. The total amount of exports which had undergone a partly manufactured state, was \$19,866,653 as against \$11,000,000 the year before. That is what our home market consumed in field crops alone. Now in animals and their products, in 1909, the exports were \$52,036,710, and of that sum \$38,144,107 went out of this country in the form of finished products, leaving only \$14,000,000 which went out in the raw condition. I will submit the following tables in support of the remarks which I have just made:

REPORT OF TRADE AND NAVIGATION FOR YEAR ENDING MARCH 31st, 1910.

Exports.	1909.	1910.
Animals and their products.. . . .	\$ 52,036,710	\$ 54,696,630
Agricultural products.. . . .	82,718,926	102,347,694
Minerals.. . . .	37,257,699	40,528,996
Fisheries.. . . .	13,332,871	15,760,391
Forest.. . . .	39,867,387	47,688,256
Manufactures.. . . .	28,711,944	40,331,467
Totals.. . . .	\$253,915,537	\$301,353,436

In the item 'animals and their products' are included many articles which have gone through a process of manufacture, viz.:

	1909.	1910.
Butter.. . . .	\$ 1,575,877	\$ 1,010,274
Cheese.. . . .	20,398,482	21,607,692
Furs, dressed.. . . .	69,077	35,371
Furs, undressed.. . . .	2,504,878	3,686,949
Grease.. . . .	197,299	171,363
Glue stock.. . . .	7,239	8,872
Hair.. . . .	147,407	172,583
Hides.. . . .	4,034,343	5,430,591
Horns and hoofs.. . . .	5,459	8,924
Honey.. . . .	1,188	621
Lard.. . . .	35,883	133,268
Bacon.. . . .	8,415,247	6,431,359
Hams.. . . .	422,851	416,886
Game.. . . .	3,330	6,244
Tongues.. . . .	3,356	264
Canned meats.. . . .	195,917	193,479
Condensed milk.. . . .	91,388	541,372
Tallow.. . . .	34,886	16,279
Totals.. . . .	\$38,144,107	\$39,866,391

It has been stated that the favoured nation clause would have no effect on prices in Canada for farm produce. It is a very peculiar thing, but it is a fact, that every country in the world with the exception of Denmark, which is known as an agricultural country, has high protection. I have schedules here showing for several of these countries the duties on the different articles of produce going into them. As I interpret the Act, Australia is not a favoured nation country, I do not think they get

favoured nation treatment that other British colonies get.

An hon. MEMBER. All British possessions.

Mr. HARRIS. As I interpret the Act, I do not think Australia is included. New Zealand is.

Mr. EDWARDS. In answer to a question I put the other day, the Minister of Finance said that all British possessions came in.

Mr. BORDEN (Halifax). They do not come in under the favoured nation treaties, but under a policy which the government has announced.

Mr. FIELDING. The policy which Canada has always adopted is not to give to a foreign nation any advantage which is not given to the whole British Empire.

Mr. HARRIS. Then Australian produce comes into Canada free of duty.

Mr. AMES. If the hon. gentleman will allow me, I will read the clause in the original resolution which refers to that. It will be found in the motion moved by the Minister of Finance on the 26th of January to go into Committee of Ways and Means:

That the advantages hereby granted to the United States shall extend to the United Kingdom and the several British colonies and possessions with respect to their commerce with Canada.

Mr. HARRIS. Australia has a very high protective tariff on all articles of farm produce:

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO AUSTRALIA.

Articles and tariff rates of duty.

Cattle, \$2.43 per head.
Swine, \$1.22 per head.
Sheep, 48.6 cents per head.
Wheat, 36.5 cents per 100 pounds.
Barley, 48.6 cents per 100 pounds.
Beans, 36.5 cents per 100 pounds.
Potatoes, 21.7 cents per 100 pounds.
Butter, 6 cents per pound.
Cheese, 6 cents per pound.
Eggs, 12 cents per dozen.
Hay, \$4.34 per ton.

Then I have a table relating to Austria-Hungary which I will not take up the time of the House by reading, but will hand it into the 'Hansard'.

Mr. FIELDING. The other day the hon. member for North Toronto (Mr. Foster) objected to anybody handing anything into the 'Hansard' which was not read. Therefore I hope my hon. friend will read it, because I would like to have it on 'Hansard'.

Mr. HARRIS. I may say that I have not had time to get information about all the countries, merely about those which are

the largest exporters of agricultural products.

Mr. HUGHES. I think the same courtesy should be extended to the member for Brantford (Mr. Harris) that has been frequently extended to the Minister of Finance on many occasions.

Mr. FIELDING. I will withdraw my objection.

Mr. HARRIS. Then I will hand the table for Austria-Hungary to the 'Hansard'.

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO AUSTRIA-HUNGARY.

Articles and tariff rates of duty.

Cattle—
Oxen, live weight, 86.6 cents per 100 lbs.
Bulls, \$6.09 each.
Cows, \$6.09 each.
Young cattle, 45 each.
Calves, \$1.02 each.
Swine—
Weighing up to 120 kilogs., 30.5 cents each.
Weighing up to 120 kilogs., \$2.44 each.
Weighing over 120 kilogs., \$4.47 each.
Sheep, 30.8 cents each.
Lamb, 30.5 cents each.
Wheat, 38 cents per 100 pounds.
Barley, 28.8 cents per 100 pounds.
Beans, 22.1 cents per 100 pounds.
Potatoes, free.
Butter, natural, fresh, \$2.21 per 100 lbs.
Butter, natural, salted, \$3.22 per 100 lbs.
Cheese—
Stracchino, Gorgonzola, fontina, montasio, and grana (Parmesan, lodigiano, regiano); also sbrinz cheeses in the shape of millstones, \$1.11 per 100 pounds.
Other fine cheese for the table, \$5.52 per 100 pounds.
Hard cheeses in the shape of millstones—
Weighing each 50 kilogs. (110 lbs.) or more, \$1.11 per 100 pounds.
Weighing less than 50 kilogs., \$1.29 per 100 pounds.
Other hard cheese, \$4.60 per 100 pounds.
Eggs, free.
Hay, free.

Then I come to Denmark. Denmark is practically the only agricultural country which admits agricultural products free. Probably Denmark is the most highly educated country agriculturally in Europe, or possibly in the world.

Their agriculture is carried on under the most perfect system. The Technical Education Commission propose to visit Denmark and they will find so much of interest and gain so much information that will be of importance to Canada that I hope that when they come back with their report the people of Canada, the government, and this parliament will recognize the necessity, up to a certain point, until we get our agricultural and technical education thoroughly well established, of protecting the agricultural industry. With the permission of the House, I will submit the following tables:

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO DENMARK.

Articles and tariff rates of duty.
Cattle, swine, sheep, wheat, barley, beans,
potatoes, butter, free.
Butter in hermetically sealed vessels, \$4.86
per 100 pounds.
Cheese, \$2.43 per 100 pounds.
Eggs and hay, free.

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO FRANCE.

Articles and tariff rates of duty.
Cattle (fat cattle excluded)—
Oxen, cows, bulls, steers, bullocks and
heifers (live weight), \$1.75 per 100 lbs.
Calves (live weight), \$3.51 per 100 lbs.
Swine—
Pigs (live weight), \$2.20 per 100 lbs.
Sucking pigs weighing 15 kilogs. or less,
77 cents each.
Sheep—
Rams, ewes and wethers (live weight), \$3.51
per 100 lbs.
Lambs, weighing 10 kilogs. and less, 77
cents each.
Wheat, 61.4 cents per 100 lbs.
Barley, 26.3 cents per 100 lbs.
Beans, 26.3 cents per 100 lbs.
Potatoes, 3.5 cents per 100 lbs.
Butter—
Fresh, \$2.63 per 100 lbs.
Salted, \$1.75 per 100 lbs.
Cheese—
Hard, known as Dutch or Gruyere, \$1.05
per 100 lbs.
Fine (affine) soft, \$1.75 per 100 lbs.
Medium hard (demi dure) and other, \$1.32
per 100 lbs.
Eggs, 52.7 cents per 100 lbs.
Hay, 4.4 cents per 100 lbs.

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO ITALY.

Articles and tariff rates of duty.
Cattle—
Oxen, \$7.33 each.
Cows, \$1.93 each.
Bullocks and calves, \$1.54 each.
Bulls, \$3.47 each.
Sheep and lambs, 58 cents each.
Swine—
Weighing up to 20 kilogs., 58 cents each.
Weighing over 20 kilogs., \$1.93 each.
Wheat, 65.8 cents per 100 lbs.
Barley, 35 cents per 100 lbs.
Beans, 16.1 cents per 100 lbs.
Potatoes, free.
Butter—
Fresh, \$1.32 per 100 lbs.
Salted, \$1.75 per 100 lbs.
Cheese—
Hard cheeses—
Formaggio dolce, formaggio dell della
paglia, also Emmenthal, Gruyere, Ber-
nese, saanen, sbrinz, spalen, 35 cents
100 lbs.
Other hard cheeses, 87.7 cents per 100 lbs.
Soft cheeses, \$1.32 per 100 lbs.
Eggs and hay, free.

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO JAPAN.

Articles and tariff rates of duty.
Cattle, 10 per cent.
Swine, 25 per cent.
Sheep, 25 per cent.
Wheat, 21.46 cents per 100 lbs.
Barley, 16.94 cents per 100 lbs.
Beans, soja, 16.18 cents per 100 lbs.
Beans, red or white, small, 16.94 cents per
100 lbs.
Beans, (vicia faba), 13.93 cents per 100 lbs.
Potatoes, 43.29 cents per 100 lbs.
Butter, \$10.02 per 100 lbs.
Cheese, \$6.40 per 100 lbs.
Eggs, \$2.18 per 100 lbs.
Hay, 6 cents per 100 lbs.

RATES OF DUTY ON CANADIAN PRODUCTS ON IMPORTATION INTO NEW ZEALAND.

Articles and tariff rates of duty.
Cattle, \$2.43 each.
Swine and sheep, free.
Wheat, 18.2 cents per 100 lbs.
Barley, 48.6 cents per 100 lbs.
Beans, 18.2 cents per 100 lbs.
Potatoes, 21.7 cents per 100 lbs.
Butter, 20 per cent.
Cheese, 20 per cent.
Eggs, 20 per cent.
Hay, 20 per cent.

I have a few figures showing the exports
in 1906 of domestic produce from the fol-
lowing large exporting countries:

Exports for year 1906 of Domestic Produce
from following Countries:
Argentine Republic.. . . . \$353,195,154

Included in above—
Wheat.. . . . \$124,333,118
Flour.. . . . 4,953,668

United States—
Animals.. . . . \$ 34,101,289
Animal products.. . . . 156,915,293
Breadstuffs.. . . . 216,494,100

Lumber (unmanufactured).. . . \$ 67,043,960
Denmark—
Butter.. . . . \$ 48,000,000
Eggs.. . . . 7,600,000
Dressed meats 31,500,000

New Zealand—
Meats (frozen).. . . . \$ 15,517,440
Wool.. . . . 26,932,866
Butter.. . . . 5,699,752
Cheese.. . . . 3,812,688

Australia—
Breadstuffs.. . . . \$ 20,295,332
Animal products.. . . . 23,500,894
Wool.. . . . 111,512,145

\$155,406,371

France—	
Animals.. . . .	\$ 8,536,183
Butter.. . . .	11,686,122
Cheese.. . . .	4,163,734
Eggs.. . . .	2,684,296
Potatoes.. . . .	8,676,321
Wool (raw).. . . .	45,709,754
Fish.. . . .	7,531,960
Raw hides.. . . .	21,597,771
	\$110,618,731

The United States are producing exactly the same class of agricultural products that we produce, and in 1908 they produced over \$400,000,000 worth. I do not think the area of Denmark is as great as that of our maritime provinces. With reference to Australia, included in the item of animal products is \$5,932,927, which is the value of the frozen mutton which was exported during that year. In Australia sheep are grown for wool and not for meat. The meat is really a waste product. In so far as the sheep industry is concerned, with our farmers trying to grow sheep for the wool and the meat as they do in this country, the sheep industry would be wiped out of existence. It may be said that the sheep industry does not amount to anything any way. I know it does not at the present time, but I would like to see it properly developed as well as other branches of agriculture. France is not regarded by us as an agricultural country, but it really is one of the greatest agricultural countries in the world. I have only given these figures to show the competition that we will have in agricultural produce, not only from the United States, but from a great many other countries. At the present time New Zealand butter is finding its way to this market, and if the duty should be off New Zealand butter I am thoroughly satisfied it will reduce the price of butter in Montreal by at least four cents a pound. The price of New Zealand and Danish butter in England at the present time is from 21 to 22 cents a pound, and in Montreal it is from 26 to 27 cents a pound. It can be brought over here for about one cent a pound.

Mr. TAYLOR (Leeds). Has my hon. friend a table showing the imports into Canada from these countries for the last year, of butter and eggs?

Mr. HARRIS. No, I have not. I cannot prophesy what will really happen from allowing ninety millions of people access to our market, but if it does not mean very strong and keen competition with the farmers of this country I do not know anything about the business.

Then, there is another point. The treatment we have had from the United States in fiscal matters has been of such a character that we have resented it at different times. I think, of course, that they were doing exactly as they had a right to do.

They were engaged in exactly the same problems that we are engaged with at the present time. From the time they started in the development of their country until they reached what is practically at the present day their maximum development they brooked no interference from anybody, they allowed no one to come into that country and have their markets, they insisted that the people of the United States should have the markets themselves. As a matter of fact, the home market is the only market that any nation has absolute control over. We have not any control over the United States market. Now, when they come to a point in their development when it is to their interest to allow Canadian goods to come in they are willing to let us come in. But, we are in the same position that they were in—I do not know just how many years ago it would be—but we have not started in our development, we have not reached our maximum development, we will not reach it for a great many years to come. I have the highest kind of regard for my United States friends, I have a great many friends over there, and I have had a great deal of business to do in that country.

An hon. MEMBER. You are still loyal?

Mr. HARRIS. I am still loyal. I am not dealing with the loyalty feature of this question; I am dealing with it from the business standpoint. I think our best plan is simply to keep as closely as we possibly can, and as closely as we dare to the plan that they themselves have laid down. While they were developing they would brook no interference from us; while we are developing we do not want them to come in and interfere with us. When we get to the state of development in this country where we have given our agricultural population and the people generally every facility to acquire the best, the most scientific and the most intelligent methods of agricultural production so as to enable them to turn their products out in the most highly finished condition, I am perfectly willing that we should trade with the world.

Mr. TALBOT. How long will that be?

Mr. HARRIS. I do not know, but we certainly are not there yet. My hon. friend the Minister of Agriculture (Mr. Fisher) made a very excellent speech the other evening, and I think he has been the only speaker on this side of the House who has attempted at all to touch with any detail on the economic feature of the different articles which would naturally pass from one country to the other. The minister in his statement the other night said that the farmers will get the American price for wheat. What is the American price? I have here an extract from a speech made by Mr. J. J. Hill, in Chicago, the other night

at the Chicago Chamber of Commerce dinner. He said:

The price of any commodity of which a country produces a surplus for export is fixed in the market where it must be sold. The demand of the whole world for wheat meets the supply of the world in the Liverpool market. To that, Russia and Argentine and Canada and the United States all send their surplus. The visible supply is noted, the probable demand computed, the prospects of growing crops taken into account, and these automatically determine the price.

The Farmer Gains Either Way.

This Liverpool quotation regulates wheat prices in all the markets of the world. It is cabled daily to New York, Chicago, Minneapolis, Duluth, Winnipeg and the other primary markets of wheat-exporting countries. The price in each of them varies daily with the Liverpool advice. It is, therefore, impossible that this price should be affected by the trade relation of any two of the countries to each other. It can make no difference in the total stock of wheat for sale, which fixes the price, over what route it goes to market. The quotations would not be changed by the fraction of a penny if all the wheat of Canada went abroad by way of Minneapolis, Chicago, Duluth and New York—

Which Heaven forbid.

—instead of by way of Winnipeg, Port Arthur and Montreal. But every bushel milled in transit helps the price, by withdrawing from the visible supply, on which prices are based, the wheat that has been turned into flour.

That is exactly the situation so far as wheat is concerned. Everybody knows that, so that any advantages that our western farmers may gain in price of wheat are purely imaginary.

I wish to emphasize the point that I want to see every bit of wheat exported from this country sent out in no form less crude than flour.

I now come to barley. The minister stated that on account of the McKinley tariff our farmers lost a great deal of profit. He quoted the amount of profit they have lost by taking the figures that they had received in a certain number of years for their barley. I know something about the barley country in Ontario; I know that when the McKinley tariff was put into effect the farmers along the north shore of Lake Ontario were almost stunned, the blow had been so heavy. But I also know that since that time those same farmers have changed their methods of farming and are producing crops at present which give them more money than they got for their barley, and in addition their land is in much better condition.

Now the meat trade. The minister apparently would be glad to see the whole of our meat trade thrown over to the control of the United States packers. I do not

take this view of it at all. I want to quote a resolution which was presented to the government by the farmers' deputation in December on the chilled meat industry:

Whereas it is of very great importance to the whole of Canada that prompt government action be taken towards establishing a complete chilled meat system on a sound and permanent basis, with the interests of the producers adequately protected; and

Whereas, the live stock industry of Canada has been neglected, and if the neglect is continued it will soon result in impoverished farms, and the live stock industry of the country will make no headway until it is made worth the farmers' while to produce and furnish more and better stock; and

Whereas the farmers are on account of the unsatisfactory market going out of the meat producing business, and will not again take it up until the market is placed upon a stable basis, and further that under the present system of exporting there is always a danger of the markets of the world being closed to us, which would result in ruin to many; and

Whereas on account of the danger of encouraging monopolies the farmers cannot be satisfied with anything short of a meat curing and chilling process inaugurated by the Dominion government, and operated in such a way that will guarantee to the producers the value of the animals they produce.

Of all the memorials they presented, I was most in sympathy with that one, because if we are to build up a big meat industry in the west and assist the farmers in getting the prices they should it is necessary that this industry should be carried on by either private enterprise or government assisted enterprise. I do not believe in the government going into the meat business, but no private company or firm or individual can attempt to establish a meat industry in the west at the present time on account of the enormous amount of capital it would require. I think it is an industry that we should encourage, and it should be under Canadian and not under American control.

Now take the packers. They came to Ottawa, they presented their memorial. They were practically told that they did not know what they were talking about, that they would not be hurt. I do not know much about the packing business. I did have a large investment in a packing house once, and lost it all. But the packers of Canada have done good service. They have spent large sums of money in good faith, they have done as much as any other class of people to make a name for Canadian farm products, and they should be considered; they should not be left in such a position that their business is going to be jeopardized. The present situation, if this goes through, is that the American packers can come to Canada and get all the hogs they want, while our packers cannot bring over a single American hog, as every hog coming to Canada must be held

at least 30 days in quarantine and must be accompanied by a certificate.

The minister also mentioned hay. I quite agree with him that it is good farming to grow hay on certain kinds of land, just as it is good farming to grow wheat on certain kinds of land, but I do not think it is good business to grow hay and ship it out as hay. I think it is better to encourage the farmers who do grow hay to feed stock and ship it out in a finished state. That is the argument I am trying to make all the way through.

This question of competition is also dealt with by Mr. Knox in that same Chicago speech. He says:

In making a reciprocity agreement it is proper and right that we should consider the market which our neighbour has to offer us as well as the market which we offer her. Thus, we provide that the agricultural classes of a great section of our country should have the benefit of the free admission of cotton seed oil into Canada. We also obtain the exemption from duty of all fruits and vegetables and various other agricultural products of which some sections of the country as widely separated as California and Florida have a surplus at certain seasons, while we are not unmindful of the producers of the border states who at times have large quantities of surplus products which will be benefited by free entry into the Canadian market.

Mr. Knox himself thinks that this will be of assistance to the American farmers along that side of the line. He also says:

The free admission of grain from Canada thus meets the present situation and provides against contingencies when the Canadian surplus becomes greater by placing the control in the hands of our own grain growers.

In the hands of our own grain growers!

They have no cause to fear a demoralising influx under the conditions which result from the reciprocity agreement.

The proposition with which we have dealt is economic, not political.

The horse industry is a very important industry. Every farmer in the province of Ontario at the present time is following the system of mixed farming. Every farmer is raising one or two colts every year, and they bring a good price in the Toronto market, which, I believe, is the best market for horses on this continent. We have greatly improved the breed of horses in the province of Ontario, and our horses are very much superior to those we would naturally get from the south. The horses we would get from the south would have a deteriorating effect on all Canadian horses in the west if they were allowed to come in free.

Now, to sum up the result of this change of policy, as I see it, so far as agriculture is concerned. It causes us to send out everything in the crudest possible state instead of in the most highly finished state.

It is a serious blow to several important branches of agriculture. It seriously injures the hog industry. It prevents the development of the chilled meat industry under Canadian control. It gives a premium to the farmers to export hay instead of sending it out in the finished product. It bonuses the cheese factories and creameries to close up. It causes the farmers to send out their cattle in frames rather than finished. It kills incentive to more intensive farming. It puts a premium on the mining of the lands of the west rather than farming it. It destroys our hopes and ambitions for better technical agricultural training. It destroys the salt industry. In other words, I look upon the whole measure as a raw deal for Canada—we get the husks and they get the substance.

Conservation has not been spoken of very much during this debate. I was reading the other day in the Ottawa 'Citizen' a report of a speech which had been made by Professor Robertson before the Canadian Club of Ottawa, and some of the things that he said placed this conservation question, so far as farming is concerned, in a much better light than I could do it. We have heard of conservation of our natural resources, but there is conservation of farms as well. Hon. members may not know that there is a department of our Conservation Commission which deals directly with farm conservation. Professor Robertson said:

FARM CONSERVATION.

I happen to serve as chairman of the committee on lands. Let me tell you of two instances that came out in our investigations. On 100 farms surveyed in Manitoba, every man reported that the wild oats were bad and getting worse. There is a how-d'ye-do—wild oats in the land where grain growing is the staple occupation of the people.

You must conserve the land by intelligent methods. I offer two instances of conservation. One farmer came before our commission who was working a farm settled from 68 to 72 years ago under old Col. Talbot. He told us that he had 103 acres which he had been farming for 23 years, and his crop now was more than twice as much in a year as when he began. He told us, if he could get the right kind of labour, he could again double the production in ten years. There is conservation. (Applause). Then in Prince Edward Island a farmer from near Summerside testified. We asked this farmer how long he had been on the place he then held. Twenty-two years. He had 97 acres. Twenty years ago he had a mortgage of \$1,100 on the farm. For ten years he just held his own. Then he learned to grow clover, keep cows and make butter. There is conservation—land, cattle and the family. The previous year, 1909, he had sold \$900 worth of butter and \$300 worth of pork, and he sold a horse every second year. There was no mortgage on his farm.

That is conservation of the farm.

I do not know anything about the fishing industry, so I am not going to deal with that subject.

Much has been said of the fact that this arrangement will change the transportation routes of this country. I think it is absolutely necessary that we should have legislation which will as far as possible keep the trade and commerce of this country within ourselves. I do not mean to say that I would put up a high wall, so that no one could come in; but we must provide every possible encouragement for the people of Canada to trade with each other. I do not know why it should be a hardship to the people of the west to trade with us in Ontario; I do not know why it should be a hardship to the people of the maritime provinces to trade with us in Ontario; but apparently it does not mean anything to have the pleasure and privilege of living in a country like Canada. I think that all the statements which have been made about the effect which the measure will have upon our east and west routes cannot be too lightly put aside.

Now, I do not want to conclude my remarks without touching upon the subject of agricultural implements. Some members of this House attribute my opposition to this measure to the fact that I am unfortunate enough to have an investment in a business which manufactures agricultural implements. I hope that the members of this House will give me the credit of not allowing any reduction of the duty on agricultural implements to influence me on this matter in any way, shape or manner. The fact that I happen to be interested in the manufacture of agricultural implements does not, I think, make me any worse a Canadian. Much has been said on the subject of implements, and much has been done that I do not think has been altogether fair to the implement industry of this country. It is strange that any government should pick out one industry and make a political football of it; but I think I have to charge both political parties with having done that with the implement industry. The duty on implements was reduced by the Conservative government from 35 to 20 per cent, and I do not think there was any investigation held. The government simply thought that the reduction was a good thing to catch votes with in the west.

Mr. FIELDING. Did they have any mandate?

Mr. REID (Grenville). Yes, they had the National Policy mandate.

Mr. FIELDING. To reduce?

Mr. REID (Grenville). Certainly.

Mr. HARRIS. Then, when this government came into power, they thought they

might get some more votes by hitting the implement industry another crack of 24 per cent. Well, I have no objection at all to the government doing anything with the tariff, provided they know that what they are doing is right and proper and just to the thing done.

Mr. MACLEAN. And give every one a chance to be heard.

Mr. HARRIS. Yes. So far as protection is concerned, I am not a high protectionist and never was. I do not think any one has ever heard me make any utterance in that behalf, but I do think that we require a tariff in this country. I think it is the only practical way of raising our revenue. If any government would even make the suggestion to change our system and raise revenue by direct taxation, I do not believe it would last 24 hours. We must have a tariff and raise our revenues under it. The agricultural implement industry is perhaps one more indigenous to the soil than many others, and therefore should not enjoy so high a tariff. But the inconsistency of our tariff is this, that when the duty was reduced on agricultural implements from 35 per cent to 20 per cent, the manufacturers of these implements were still paying as high as 50 per cent on their raw material. When the duty was reduced from 20 per cent to 17½ per cent the government took the ground that 20 per cent was a revenue tariff and made a concession on the raw materials for implements on which the tariff was reduced—there were only two or three of them. Binders, mowers and rakes. The government made a concession in the duty on the raw material of these implements which compensated the manufacturers to some extent for the reduction from 20 per cent to 17½ per cent in the duty. At present these same implements are being manufactured, and the manufacturers are paying duty on all the raw materials, with a few exceptions, as high as 50 per cent although they only get a protection of 17½ per cent.

Again, the manufacturers of implements in this country have to pay 27½ per cent duty on every bit of machinery which they import for their plant and on all the materials which go into the construction of their plant. About 40 per cent I think would figure out as duty on their coal because I do not think coal is worth more than \$1.10 at the mine mouth; and on their factory supplies, which would amount to a very large aggregate, they pay duties varying from 25 per cent to 35 per cent.

My hon. friend from Portage la Prairie (Mr. Meighen) introduced a motion this session to which he and some other hon. members spoke. I intended following him if I had had the opportunity, but not hav-

ing that advantage, I would like to make a few explanations and corrections with regard to the statements he then made, and perhaps I may be able to give my hon. friends on this side a little more satisfaction than I have given them so far. The hon. gentleman made the statement that under the late Conservative government, the binders imported into Canada came in at a fixed valuation of \$80. He quoted the imports of binders in 1897, 1907, and 1910, and taking these three years he made an average valuation of the binders and the average duty. I might say now, for his information, that the statement he made was not correct. The late government never had a fixed valuation of \$80 for binders imported into Canada. In 1907 he said the average valuation was \$144.44. The hon. member for North Toronto (Mr. Foster) thought that in this

he had made a mistake because he questioned him about it. He evidently did make a mistake in his arithmetic because the figures themselves show that the average valuation of the binders that year was \$109.70. I have gone to the trouble of looking up this question, and I have a statement here showing the average value of binders from 1890 down to 1910.

Mr. MEIGHEN. Would the hon. gentleman be good enough to put on 'Hansard' the total valuation of the imports of binders for that year and the total number of binders so that I can check the figures. Since making my speech, I went to the trouble of rechecking my figures and found them absolutely correct.

Mr. HARRIS. I have the statement here:—

STATEMENT of Imports of Self-Binders from 1890 to 1910.

Fiscal Year.	No. of Binders imported.	Value.	Average value.	No. of Binders entered for consumption	Duty paid.	Average duty.
		\$	\$ cts.		\$ cts.	\$ cts.
1890.....	69	7,574	109 76	69	2,650 90	38 42
1891.....	302	35,054	116 07	216	9,246 65	42 81
1892.....	633	61,235	96 74	670	22,774 51	33 99
1893.....	644	63,624	98 80	654	22,625 40	34 60
1894.....	761	75,573	99 38	755	24,478 50	32 42
1895.....	1,006	78,208	77 74	1,045	16,418 80	15 71
1896.....	1,198	130,780	109 17	1,201	26,216 75	21 83
1897.....	1,946	203,537	104 69	1,943	40,647 39	20 92
1898.....	4,292	407,542	94 95	4,290	81,464 98	18 99
1899.....	6,931	664,610	95 89	6,931	132,920 50	19 18
1900.....	9,038	806,979	89 29	8,918	160,860 40	17 92
1901.....	7,920	831,204	104 05	7,888	165,623 60	21 00
1902.....	9,230	894,474	96 91	9,288	180,035 80	19 38
1903.....	10,878	1,053,021	96 80	11,002	213,055 00	19 37
1904.....	7,646	751,550	98 29	7,598	149,378 80	19 66
1905.....	3,567	353,864	99 20	3,594	71,510 00	19 90
1906.....	932	96,758	103 82	927	19,169 20	20 68
1907.....	2,878	315,744	109 71	2,876	62,938 25	21 88
1908.....	881	85,822	97 41	880	14,990 95	17 04
1909.....	1,207	129,965	107 68	1,205	22,710 71	18 83
1910.....	1,431	165,759	111 92	1,483	29,052 34	19 59

Average duty paid per binder for seven years under Conservative rule, \$31.39.
Average duty paid per binder for fourteen years under Liberal rule, \$19.60.

giving the total importations from 1890 to 1910. This gives the number of binders imported, their values, the average value, the duty paid and the average duty. But for the information of the House I would like to point out the results of this statement. The result is this. The average duty paid per binder for seven years under the late government was \$31.39 and the average duty paid for 14 years under this government was \$19.60, so that there was quite a re-

duction. I also want to correct my hon. friend in the statement he made with regard to drawbacks. He made the statement that the total drawbacks paid to the International Harvester Co., the Massey Harris Co., Frost and Wood, and Noxon Manufacturing Co., amounted to \$217,458.99, and then proceeded to work out the drawbacks per machine. But this included the drawbacks paid on machines manufactured in Canada for export as well as for home consumption; and in the year

1909-10—which is the year he had under review—the drawbacks paid the implement manufacturer on the machines manufactured in Canada and exported was \$128,134, and on the machines manufactured for home consumption was \$83,569, making a total of \$211,703. My hon. friend constituted himself the judge, jury and counsel, he tried the manufacturers of agricultural implements and found them guilty, but with extenuating circumstances in favour of the plough manufacturers because 60 per cent of the total imports consisted of ploughs. But the plough importations into Canada will now be absolutely taken care of by the manufacturers with the new plants they are erecting.

Mr. HUGHES. In the debates in the United States House of Representatives, the statement has been made over and over again that the American agricultural implement manufacturers do not recognize the Canadian manufacturer of agricultural implements as a quantity to be considered. They say that they can export into Canada against the duty without fear of competition from the Canadian manufacturer.

Mr. HARRIS. I was just coming to that. I have been investigating the conditions of the plough business because I am not interested in that line and have been looking it up more than the others. The American manufacturer of ploughs at the present time, with a duty against him of 15 per cent, is in just about as good a position to supply the Canadian western trade as will be the manufacturer in Ontario with freight and other things against him. I represent a constituency where we have 6,000 men employed in the factories, and, of these, I suppose 5,000 are engaged in the agricultural implement industry. These men are the best class of mechanics, I believe, that we have in any factories in Canada. This arrangement is going to mean that the development of the agricultural implement business in Canada will stop. We are not going on to develop the agricultural implement in Canada. The concerns I am connected with have found it necessary, on account of the agitation and the trouble which they think will come, to remove part of their works to the United States. They do not want to do that.

Mr. MILLER. May I be allowed a question? Did they remove any part of their Canadian works, or did they simply acquire works in the United States?

Mr. HARRIS. They find now, and have known for many years that, for their foreign trade, which is 50 per cent of their entire trade, they could manufacture in the United States cheaper than in Canada. They have preferred to manu-

facture in Canada, and, with the concessions that the government gave in the way of drawbacks of duties on raw material, they have up to the present time, been able to continue their industry in Canada. But my own conviction is very strong that from now on, the development of this particular industry will not take place in Canada, but will be on the other side of the line.

Mr. FIELDING. Did not they secure this plant in the United States before this treaty was negotiated?

Mr. HARRIS. They did. But they secured it because there had been so much agitation on account of the implement duty. I have no objection, if the implement duties are too high, that the government should lower them. If the duties are too high on anything let the government lower them. I do not believe in a protective tariff that will create conditions under which one man or group of men can get rich at the expense of the people. I do not care very much about discussing this question, but I thought I ought to put myself on record in connection with it in this debate.

Now, Mr. Chairman, my people in Brantford are in a different position perhaps from those in almost any other constituency. We have, as I have stated, large implement industries; we have two flour mills; we have one large pork packing industry. On looking over the list of industries of the town, I find that nine of them are directly affected by this proposed change. Therefore, I do not think that you can expect them to look with a great deal of favour on this agreement. I have had a great deal to do with the getting of American concerns established in Canada. I have many friends in the United States, and these men, several of them, at my request, have come over and looked into the conditions existing here, and have established plants. I had a long letter from one of them early in November last, and I would like to read it, so that hon. members will know what opinion on this question is held by some of our American friends who at present have interests in Canada:

I read newspaper accounts and hear considerable talk in Brantford regarding the proposed revision of tariff between Canada and the United States. We are not students in political economy, but as manufacturers and employers of labour in Canada and also manufacturers of the same class of work in the United States it appears to us that it would be disastrous to our Canadian interests to make any change in the tariff. From Buffalo we can reach all the important points that the Brantford plant reaches for a less freight rate than from Brantford. We can also manufacture malleable iron very much cheaper per ton in Buffalo than in Brant-

ford. The above are absolute facts relating to our business and it appears to us that should the tariff on malleable iron agricultural implements be removed it would necessitate closing our Brantford plant and transferring the business to Buffalo.

Looking at the whole thing broadly Canada is where the United States was fifty years ago. The Canadian farmers can buy better implements much cheaper than the States farmer could when this country was at a corresponding period in their development, and they certainly can sell their products for more money, making a very attractive net income. On the other hand, if the manufacturing industries of Canada are given proper support, we feel that it would tend to increase the population and thereby increase the welfare of the country at large.

That is a sample of several letters I have had. This same party sent me a wire on the 27th of January, this, I think was the day after the announcement was made in this House of the proposed arrangement:

Kindly wire my expense your opinion as to the possibility of the proposed reciprocity agreement going into effect. We have an option to take over property in Canada for our business employing four hundred people. This option expires on Monday. Should not accept if duties going to be modified. The courtesy of your opinion will be greatly appreciated.

This plant, the purchase of which he had in prospect, was for the purpose of supplying implement manufacturers in Canada with parts of their raw material. I had to advise him that, on account of the reduction of duty from 20 per cent to 15 per cent, I thought the government, in justice to the implement manufacturers, would necessarily have to make reductions in the steel schedule, and, if they did that, he would have to consider it and deal with it himself. As a result, he gave up his option.

I think the right hon. Prime Minister (Sir Wilfrid Laurier) has stated that he does not intend to do anything with the duties on manufactured goods. I believe that is his firm intention, but I tell you that no power on earth can keep any government from giving the farmers, who are now going to have every vestige of protection taken away from them, their just claims, when they come down here and demand that every other interest be put on the same footing. It would not be fair, it would not be right. The farmers are not asking for this reduction in duty on their products. The very class of farmer whom we in Ontario, at any rate, think most of, the people who have been literally practising the doctrine which we have been spreading throughout this country that the man who will make two acres of grass grow where one grew before, is doing the most for agriculture in this country, come down

here, and what do they demand? They do not come to ask for a reduction in the duties, but to ask the government to give them fair and moderate protection on their investment and on what they are producing. Now, my friend Eugene N. Foss is a manufacturer and a very capable, clever business man. He is now governor of Massachusetts. Mr. Foss and myself have discussed the question of his establishing a factory in Canada, at different times during the past ten years, I have done everything I could to get Mr. Foss interested in establishing in Canada a branch of their large works which are situated outside of Boston. I believe that Mr. Foss, at the present time, would not consider for one moment following out that advice, because he knows—and every American manufacturer knows—that the government having gone thus far, are bound to go further. And Mr. Foss has stated that:

The present tariff system has resulted in sending approximately \$300,000,000 of American capital to Canada to build up branch industries which compete with American factories in foreign markets. It has resulted in stifling the growth of Massachusetts and kept us out of the business and commerce which belongs to us by every right. It has kept the great Canadian railroads from our ports.

That is exactly what I want the Canadian policy to do. I want the American manufacturers to be forced to establish plants on this side of the line and provide work for our Canadian workmen if they want to have the advantage of supplying our home markets.

Mr. BEST. Are there any producers in Canada to-day except the farmers who have to pay a duty on everything they consume, and have no protection whatever on what they produce? We have to pay a duty on everything. Is that right?

Mr. HARRIS. That is absolutely right, and that is the point I was trying to make. Now, I want to refer to one other memorial which was presented by the farmers' deputation in December last. I was acquainted with one member of that deputation, a gentleman who came from my own county, and I want to place on record my opinion of the memorial which he presented to the government on that occasion, in which he attempted to give the facts existing with regard to agriculture in Brant county. This is from Colonel Fraser:

Treating on the question of turnips, I have frequently seen paid in customs and freight dues nearly four dollars for every dollar paid the producer. This is only one of the many like instances I could enumerate. It is no wonder then that the farming interests in my district are depressed; that the bailiff's business is largely on the increase; that mer-

chants are unable to collect their bills, and that the general conditions of the farmer call loudly and piteously for a change. The conditions as outlined in the contemplated changes of the tariff would, I believe, largely eliminate the existing conditions and place on a sound foundation our agricultural interests, on whose prosperity the condition of all classes so much depends.

As the government has apparently taken this statement as literally true, I want to say that it is not at all correct in regard to the county of Brant, and I think the Minister of Customs will bear me out in saying so. I do not think there is a farmer in the whole county of Brant that will subscribe to what is said there. Now, Mr. Chairman, in conclusion, I want to say

that I have tried to impress upon the House the fact that we are all working together to build up a great nation. We want everything of the very best. We want our people equipped with the best educational knowledge; we want them to turn out the best goods of every kind. We want our farmers to be the best farmers; we want them to turn out their products in the best possible condition; we want them to pay more attention to quality than to anything else. If we can build up the country along those lines we shall succeed in making of Canada a great nation. But if we follow the policy of sending out of our country all its raw materials in the crudest possible condition we shall never succeed in building up a great nation.
